

## Message Text

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ORIGIN EB-11

INFO OCT-01 EUR-25 NEA-14 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-02

H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00 NSC-07 PA-04

RSC-01 AID-20 CIEP-02 SS-20 STR-08 TAR-02 TRSE-00

PRS-01 SP-03 FEA-02 OMB-01 SWF-02 /178 R

DRAFTED BY EB/OT/GCP:DTMORRISON:DI

APPROVED BY EB/OT/GCP:JEO'MAHONY

EUR/RPE:JMCCARTHY

NEA/EGY:LSEMAKIS

L/EB:DBURNS

COMMERCE:GBARE

AGRICULTURE:CHARVEY (SUBS)

STR:RMATTHEISEN

TREASURY:WBARREDA (SUBS)

----- 028695

O R 151512Z MAY 74

FM SECSTATE WASHDC

TO USMISSION GENEVA IMMEDIATE

AMEMBASSY CAIRO IMMEDIATE

INFO USMISSION EC BRUSSELS

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY BRUSSELS

AMEMBASSY LUXEMBOURG

AMEMBASSY DUBLIN

AMEMBASSY OTTAWA

AMEMBASSY TOKYO

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E.O. 11652: N/A

TAGS: ETRD, GATT, EG, EC

SUBJECT: GATT WP ON EC-EGYPT, MAY 17

REFS: GENEVA 2675, GATT DOC. L/4015 (4/18/74), CAIRO 3148

1. MISSION SHOULD BE GUIDED BY FOLLOWING IN MAY 17 GATT WP PREPARATION OF REPORT ON EC-EGYPT AGREEMENT WHICH WILL IN TURN BE SUBJECT OF SUBSEQUENT GATT COUNCIL CONSIDERATION:

2. FOLLOWING PATTERN OF PAST GATT WP CONSIDERATIONS OF OTHER EC PREFERENTIAL TRADE AGREEMENTS WITH MEDITERRANEAN COUNTRIES, WE WISH EC-EGYPT WP REPORT TO REFLECT STATEMENT OF U.S. VIEWS ON FAILURE OF THIS AGREEMENT TO CONFORM TO GATT ARTICLE XXIV CRITERIA FOR ESTABLISHING AN FTA OR FOR INTERIM AGREEMENT LEADING TO FORMATION OF FTA. AS IN PAST CASES, WE CAN ACCEPT WP REPORT WHICH CONCLUDES THAT GATT COMPATIBILITY CAN NOT BE ESTABLISHED AT THIS TIME.

3. PARTICULAR POINTS WHICH U.S. DEL MAY MAKE WITH RESPECT TO EC-EGYPT AGREEMENT FOLLOW:

A) AGREEMENT FAILS EVEN TO MENTION OBJECTIVE OF FORMING FTA.

B) AGREEMENT LACKS PLAN AND SCHEDULE AS REQUIRED BY

ARTICLE XXIV:5:C. THERE IS NO BINDING COMMITMENT IN THE AGREEMENT OR IN THE ANSWERS TO QUESTIONS THAT AN FTA WILL BE ESTABLISHED DURING THE FIVE YEAR PERIOD OF THE AGREEMENT OR AT ANY OTHER SPECIFIED PERIOD OF TIME.

C) WE DOUBT THAT FTA'S AMONG COUNTRIES AT SUCH WIDELY DIFFERING STAGES OF INDUSTRIALIZATION CAN LEAD TO GATT CONSISTENT ASSOCIATIONS ENCOMPASSING THE ELIMINATION OF SUBSTANTIALLY ALL TRADE BARRIERS BETWEEN THE PARTIES WITHIN REASONABLE LENGTH OF TIME AS REQUIRED BY ARTICLE XXIV:5:C AND ARTICLE XXIV:8:B.  
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D) THE INCLUSION OF RESTRICTIVE RULES OF ORIGIN REQUIREMENTS IS NOT CONSISTENT WITH ARTICLE XXIV.

4. RE EGYPTIAN REQUEST FOR U.S. SUPPORT (CAIRO 3148), MISSION AND EMBASSY SHOULD MAKE CLEAR TO EGYPTIAN DEL AND TO EGYPTIAN MFA OFFICIALS THAT U.S. OBJECTION IN GATT WP TO EC-EGYPTIAN AGREEMENT BASED SOLELY

UPON OBJECTIVE GATT CRITERIA AND IS CONSISTENT WITH  
PAST U.S. POSITIONS TAKEN IN GATT WORKING PARTIES  
CONSIDERING EC PREFERENTIAL TRADE AGREEMENTS WITH  
SPAIN, ISRAEL, MOROCCO, TUNISIA, MALTA AND CYPRUS.

5. MISSION SHOULD TAKE LOW KEY APPROACH TO ASSURING  
REFLECTION OF U.S. VIEWS IN WP REPORT. RUSH

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE, PREFERENTIAL TARIFFS, TARIFF NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Drafter:** DTMORRISON:DI  
**Enclosure:** n/a  
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**Film Number:** D740119-0931  
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**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** GENEVA 2675, GATT DOC. L/4015 (4/18/ 74), CAIRO 3148  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
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**Review Exemptions:** n/a  
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EO Systematic Review  
30 JUN 2005

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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ATT WP ON EC-EGYPT, MAY 17  
**TAGS:** ETRD, EG, GATT, EEC  
**To:** GENEVA CAIRO  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005